

Minutes
Air Pollution Control Board
Indiana Government Center South
Conference Room A
402 West Washington Street
Indianapolis, Indiana

April 12, 2007
1:00 p.m.

1. Dr. James Miner, Chairman, called the meeting to order.
He noted that a quorum was present.

**CALL TO ORDER
QUORUM**

2. Chairman Miner introduced the board members.

**INTRODUCTION OF
MEMBERS**

Present: Dr. James Miner, Chairman
Mr. Kurt Anderson
Mr. Thomas Anderson
Mr. John Bacone, Proxy, Department of Natural Resources
Mr. David Benshoof
Mr. Steve Boyce, Proxy, Lieutenant Governor
Mr. Howard Cundiff, Proxy, State Board of Health
Ms. Pam Fisher, Proxy, Indiana Economic Development Commission
Mr. Chris Horn
Mr. Jeff Quyle
Mr. Randy Staley
Dr. Phil Stevens

A court reporter was present and a transcript of the meeting is available for review.

3. Dr. Miner stated that the purpose of the meeting was to discuss the Mercury Emissions Study Group White Paper which was presented to most Board members via e-mail by Dr. Bill Beranek.

REPORTS

Dr. Phil Stevens, who was chair for the study group acknowledged the study group members, Indra Frank, Janet McCabe, Paul Reynolds and Dan Weiss and thanked Bill Beranek for keeping notes, coming up with the compromise statements and putting together the report that was presented to the Board. Board members Kurt Anderson and Chris Horn represented the board on the study group.

Mr. Beranek stated that the purpose of the report was to describe the factors in the mercury policy decision in a manner that both sides in the debate would be likely to agree

with so that Board members would be able to understand better and more clearly the issues that would be brought before them in testimony and in other pieces of information that they would hear.

Dr. Stevens stated that the critical issues addressed in the report include mercury, background of mercury and its different forms, control technology and monitoring, environmental impacts and public health impacts and cost-benefits.

Mr. Steve Boyce asked if the technology is available to meet a higher standard than the federal regulations based on the references to ACI (activated carbon injection) controls, by the Department of Energy comments in Appendix A that “there remain a number of critical, technical and cost issues that need to be resolved through additional research before these technologies can be considered commercially available for all U.S. coals and the different coal-fired plant configurations in operation in the United States.”

Dr. Stevens stated that the table tries to show there is considerable uncertainty in whether the control technology will be effective depending on the type of controls and the type of coal that it burns, but that doesn’t mean that there isn’t technology being commercialized at the moment and that there is some data from companies that are selling ACI type controls to utilities.

Mr. Howard Cundiff asked how available powdered activated carbon is and is it available on the kind of scale that would be needed for the utilities to ramp up. Dr. Stevens stated that that’s part of the uncertainty associated with the mercury issue.

Mr. Tom Anderson asked whether there was any look at other state rules, especially states nearby. Dr. Miner stated that his direction to the work group was to review the science and the available information regarding the risks and what’s available in terms of control and not to not develop a policy sheet.

A discussion among board members ensued on whether or not the technology is available to control mercury emissions and the costs associated with controls. Dr. Miner stated that the work group had only the federal Clean Air Mercury Rule (CAMR) and the 90% across the board Hoosier Environmental Council (HEC) proposal cost estimates to evaluate the cost question.

There was a discussion of mercury being a global issue, not just an Indiana issue, and the value of going beyond the CAMR rule as mercury reductions by Indiana utilities affect the general populous of Indiana.

Mr. Randy Staley initiated a discussion on the distribution of data points on the color chart in Appendix G that represent where data was collected in the United States and factors that impact the distribution of points. Mr. Boyce asked how the distribution of data points would be impacted if the federal guidelines are adopted. Dr. Stevens stated that in the consensus document it is stated that we don’t know how much of a reduction

in deposition we're going to get from a particular reduction in emissions in Indiana, but the lower the emissions in Indiana the lower the deposition will be.

Mr. John Bacone had a question about Appendix E, the Cap and Trade Appendix and the meaning of "It is important to note, however, that USEPA has said that states may not restrict the cap and trade program if they wish to participated in EPA's trading program and protection of interstate commerce laws need to be maintained." Mr. Kurt Anderson responded that it doesn't mean you can't have a cap and trade program, it means that EPA will not oversee and manage it if it is not based on CAMR.

Mr. Tom Anderson made the point that often these rules are technology-forcing. He also stated that there are some significant sources of mercury from combusting coal such as coke ovens that need to be looked at since they especially impact areas like Northwest Indiana.

Mr. Cundiff stated that a whole bunch of mercury would be released in making powdered activated carbon; he questioned whether this mercury would be controlled too.

Mr. Horn stated that he hoped to gain additional information on electricity costs and the economic impact of the options that will be presented to the board because the workgroup touched only lightly on economic impacts. Dr. Miner said that he hoped that individuals who are privy to that information would present it at the next board meeting. Mr. Boyce said that he would like to know what other states have adopted the federal guidelines and the states that have gone beyond the federal guidelines. Ms. Watson said that information had been provided to the board in December but that it would be updated and presented at the next board meeting. Mr. Boyce stated that electricity rates are important but that the overall perspective that is very important is, is Indiana affordable to do business in.

The board then discussed the procedures and options available for bringing a draft rule for consideration for preliminary adoption.

Dr. Miner stated that the public would have an opportunity for discussion at the next board meeting when the draft is presented for Board discussion.

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| 4. | Chairman Miner announced that the next meeting was tentatively scheduled for April 12, 2007. | NEXT MEETING |
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| 5. | Mr. Randy Staley moved to adjourn the meeting. Mr. Tom Anderson seconded. The vote was unanimous. Chairman Miner adjourned the meeting at 2:10 p.m. | ADJOURNMENT |

James Miner, Chairman

These minutes were taken from the April 12, 2007, transcript, and were written on May 14, 2007, by Patricia Troth, Office of Air Quality.